

Economic Support Fund

(\$ in thousands)	FY 2007 Actual	FY 2007 Supp	FY 2008 Estimate *	FY 2008 Supp	FY 2009 Request
Economic Support Fund	2,468,375	2,649,300	2,989,838	2,009,000	3,153,743

* The FY 2008 estimate includes funding designated as emergency funding as described in Section 5 (preceding Division A) of the FY 2008 Consolidated Appropriations Act. \$542.568 million of emergency funding was appropriated for priority activities in Afghanistan (\$234.568 million), West Bank/Gaza (\$155 million), Jordan (\$100 million), and North Korea (\$53 million).

The FY 2009 request for the Economic Support Fund (ESF) will support programs in Restrictive and Rebuilding countries, as identified in the Foreign Assistance Framework (available at http://f.state.gov/docs/plan/AnnexB_ExtendedFramework.pdf). ESF will also support global and regional programs administered by Department of State bureaus that support specific U.S. foreign policy goals. Where appropriate, ESF will also assist states critical to the Global War on Terror, particularly those on the front lines.

Many of these countries previously received funding in both the ESF and the Development Assistance (DA) account. This budget more clearly identifies countries into categories consistent with the purposes of the ESF and DA accounts. This will also help improve transparency and facilitate monitoring of country-level performance. This represents a better alignment of U.S. foreign assistance goals for those countries with long-term development programs funded from the DA account. When considered together, the overall DA and ESF request has increased for FY 2009 compared to the FY 2008 enacted levels.

The FY 2009 ESF request advances U.S. interests by helping countries overcome short and long-term political, economic, and security hurdles. ESF also supports programs that encourage countries to respond to the needs of their people, thereby joining the community of well-governed states that act responsibly in the international system. In the Near East, ESF supports such objectives as advancing peace and stability, building accountable and transparent institutions, creating economic and educational opportunities for youth, and countering extremist ideology. In South Asia, ESF is a vital part of U.S. counter-terrorism, counternarcotics, and reconstruction and stabilization initiatives. In Africa, ESF programs focus on stabilization, reconstruction, recovery, governance, and economic growth. In the Western Hemisphere, programs address anti-corruption, trade capacity building, economic growth and democratic strengthening, as well as alternative development. ESF supports key foreign policy initiatives, such as the Middle East peace process, regional economic integration in East Asia and the Pacific, and regional security in Europe.

The FY 2009 request for the ESF account represents a slight decrease from the President's FY 2008 request, but an increase from the FY 2008 enacted levels. Funding for some programs the President requested in FY 2008 has been shifted to the DA account. The FY 2009 request includes funding for several new or expanded initiatives. The FY 2009 ESF request for the State Department's Human Rights and Democracy Fund has increased significantly over the FY 2008 request. The request also includes increased ESF resources to alleviate rural poverty in Nepal to reduce the appeal of Maoist rebels operating in that country. An increase is requested for programs in the South and Central Asia region to improve transportation, communication, and cultural linkages between Afghanistan and its Central Asian neighbors. The Trans-Sahara Counterterrorism Initiative will also receive ESF funding to expand its programming into North Africa.

The Administration did not include a detailed FY 2009 supplemental request within the Budget. When needs are better known, the Administration will request additional funds for foreign operations, including costs related to supporting freedom in Iraq and building a stable Afghanistan.

Highlights:

The Administration's strategic priorities for ESF funding in FY 2009 include:

Partners in the Global War on Terror: ESF resources mitigate the influence of terrorist groups and reduce their potential to recruit, particularly by addressing the economic despair and lack of political participation that terrorists exploit.

- Afghanistan - ESF funds will support continued reconstruction and stabilization activities. Particular emphasis will be placed on enabling the government of Afghanistan to extend the reach of good governance by providing basic social services, infrastructure, justice administration, and rural development to its people.
- Pakistan - ESF funds will support education and health service delivery, job creation, and improved democratic governance. Funding will also support Pakistan's Sustainable Development Plan for the Federally Administered Tribal Areas with vocational training, health and education service delivery, and business development programs.
- Iraq - ESF funding is needed to consolidate the security gains made by our military and help Iraq transition to be a self-reliant country. The program includes implementing governance reforms at the local, provincial, and national-levels of government and strengthening Iraq's private sector economy. In addition, the program stabilizes strategic Iraqi cities and regions through economic growth and jobs creation programs.
- Lebanon – ESF resources will support that country's democratic traditions by establishing credible, transparent governing institutions that exercise authority throughout the country, fostering human rights, supporting civil society organizations, and improving educational and economic opportunities among the Lebanese people. Certain funds will target programs in southern Lebanon, reducing the ability of Hezbollah to divide the populace and erode support for the current Government.
- Middle East Partnership Initiative (MEPI) – ESF funds efforts to sustain the momentum for democratic reform in the Middle East by encouraging political, economic and educational transformation and the empowerment of women.

At-Risk States: ESF resources assist countries and regions at risk of civil unrest by helping these countries fight poverty, build democratic institutions to guarantee human rights, and provide basic services and economic opportunities to their populations.

- Sudan – ESF funds will support implementation of the Comprehensive Peace Agreement to ensure a just peace in Sudan and support peace processes in Darfur.
- West Bank and Gaza – ESF funds will promote Israeli-Palestinian peace by laying the groundwork for a sustainable Palestinian state through building credible, transparent institutions and improving governance; advancing the rule of law; expanding public health and basic education; building infrastructure; creating jobs; and generating micro-enterprise.

- Colombia – ESF funds will continue our comprehensive campaign against narcotics trafficking and terrorism and will strengthen Colombia’s institutional capacity to promote economic, social, democratic and alternative development.
- Liberia – ESF resources will support a broad range of programs--including governance, education, and economic opportunity--that support the country’s recovery from years of civil unrest.
- Haiti – ESF funds will provide key support for a comprehensive program to strengthen democratic reform, foster long-term stability, and promote socio-economic development.
- Somalia – ESF funds will support political reconciliation and governance activities, and it will be used to provide basic social services.

Democracy Issues in States of Concern: ESF programming encourages democratic reform and builds civil society so that states will respond to the needs of their people.

- Iran – ESF funds will support the aspirations of the Iranian people for a democratic and open society by promoting civil society, civic participation, media freedom and freedom of information.
- Zimbabwe – ESF funds will support the USG's efforts to advance democratic governance to address the country's development challenges.
- Cuba – ESF resources will further implement program recommendations from the Committee to Assist a Free Cuba II, including strengthening civil society. In addition to assisting Cuba's embattled human rights activists and independent journalists, the U.S. will reach out to courageous Afro-Cubans, women, youth, and student activists.
- Burma – ESF funds will promote democracy and human rights and provide humanitarian assistance and basic education to internally displaced persons inside the country as well as to refugees and migrants on the Thailand-Burma border.
- Venezuela – ESF funds will support efforts to preserve and expand democratic space, through programs that strengthen and promote civil society, citizen participation, independent media, human rights organizations, and democratic political parties.

Global and Regional Programs: ESF resources administered by the Department of State directly support U.S. foreign policy goals:

- Human Rights and Democracy Fund – ESF resources will promote democracy in priority countries where egregious human rights violations occur, where democracy and human rights advocates are under pressure, where governments are not democratic or are in transition, and where the demand for respect for human rights and democracy is growing.
- Western Hemisphere Regional program – ESF funds will enhance diplomatic, economic, health, education, disaster preparedness, and law enforcement cooperation and collaboration with the Caribbean through the Third Border Initiative. U.S. assistance will support initiatives stemming from the 2009 Summit of the Americas and strengthen the shared commitment to the Inter-American Democratic Charter. Trade capacity building funds in this program and in country-specific allocations will enhance the labor and environmental conditions in Central America-Dominican Republic Free

Trade Agreement (CAFTA-DR) countries, contributing to the effective implementation of CAFTA-DR.

- Asia-Pacific Partnership on Clean Development and Climate – ESF funds will promote clean development, enhance energy security, catalyze economic growth, and address climate change.
- Oceans, Environment, and Science Partnerships – ESF funds will to promote cooperation and build global capacity for sound stewardship of environmental and natural resources in concert with global economic growth and social development.
- Trafficking in Persons – ESF resources will support anti-trafficking efforts in critical and at-risk countries identified in the State Department’s Trafficking in Persons Reports.

Assistance for Eastern Europe and the Baltic States

(\$ in thousands)	FY 2007 Actual	FY 2007 Supp	FY 2008 Estimate	FY 2008 Supp	FY 2009 Request
Assistance for Eastern Europe and the Baltic States	273,900	189,000	293,553	—	275,625

The President's FY 2009 request for the Support for East European Democracy (SEED) Act and Foreign Assistance Act funding will continue to help stabilize and transition Southeast Europe, which is still struggling today with the effects of the violent breakup of Yugoslavia and its aftermath in the 1990s.

Ensuring a peaceful transition in Kosovo, essential for the region's future, is the top priority for SEED funding, closely followed by maintaining progress on reform in Serbia and Bosnia and Herzegovina. Programs will focus on integrating Southeast Europe into the Euro-Atlantic community and institutions with its values of democracy, rule of law, individual freedom and market economies. SEED funding will support programs that fight international crime, trafficking, and corruption; build regional integration and socio-economic bridges between ethnic communities; and consolidate the region's democratic and economic progress.

Country levels are rebalanced in the FY 2009 request to maintain robust funding for Serbia and Kosovo, while providing slight increases to consolidate progress achieved in Albania and Macedonia and to remedy uneven reform in Bosnia and Herzegovina. The increased request for the regional budget reflects U.S. funding for the OSCE to support its operations and programs. Funding to combat HIV/AIDS has been shifted to the Child Survival and Health Programs Fund (CSH) in FY 2009.

Highlights:

- Kosovo -- USG assistance to support implementation of a status determination will leverage assistance commitments from other international donors, such as the EU and the World Bank. Assistance will help Kosovar institutions adjust to the challenge of self-governance; support international structures to oversee status implementation; develop judicial and law enforcement systems; support key industries and drive economic growth through policy reform; strengthen democratic institutions; and mitigate conflict by building multiethnic communities that embrace tolerance.
- Serbia -- USG assistance focuses on keeping Serbia's progress toward Euro-Atlantic integration on track, particularly in expectation of further strains following the upcoming determination of Kosovo's final status. Major work remains in the areas of rule of law, privatization, economic growth, law enforcement, and democracy building. Serbia's stability and reform are fundamental to the success of U.S. foreign policy in the region.
- Bosnia and Herzegovina -- USG assistance is requested to help the country step away from crisis, regain momentum on Euro-Atlantic integration, and remedy the country's uneven progress in reform which led the international community to extend the mandate of the Office of the High Representative (OHR). U.S. assistance will help Bosnia to develop its fledgling state-level institutions; strengthen the rule of law, including the ability to address war crimes, organized crime, and terrorism; foster an investor-friendly climate and a sound financial and business

regulatory environment for the private sector; improve the competitiveness of small and medium enterprises in targeted sectors; and build the capacity of local government, and civil society.

- Albania -- USG assistance is requested to target gaps in key indicators and help further Albania's progress as a NATO and an EU aspirant. Assistance will help improve the government's law enforcement and justice capabilities in order to fight trafficking, organized crime, and corruption, build democratic institutions, promote private-sector led growth, and strengthen capacity in the health sector. A democratically strong and stable Albania with a robust economy is critical to a viable Kosovo once its status is determined.
- Macedonia -- USG assistance is requested to support sustained stability and Euro-Atlantic integration through Ohrid Framework Agreement implementation and by further enhancing the government's ability to combat cross-border crime, strengthen democratic institutions, the rule of law and civil society, promote private-sector led growth, and advance workforce training and skills to adapt to market demand.
- Montenegro -- USG assistance is requested to help Europe's newest nation strengthen its institutions; build capacity to protect its people and secure its borders, especially against organized crime and corruption; and to promote more even distribution of economic growth and stronger interaction among faster and slower developing regions.
- Regional SEED --USG assistance is requested to help restore the regional ties broken by conflict as well as to support economic integration initiatives; fund grants programs promoting cross-border work on reconciliation and democratic reform; support law enforcement cooperation, including fighting organized crime and corruption region-wide; and fund part of the U.S. contribution to the Organization for Security and Cooperation in Europe (OSCE).

Assistance for the Independent States of the Former Soviet Union

(\$ in thousands)	FY 2007 Actual	FY 2007 Supp	FY 2008 Estimate	FY 2008 Supp	FY 2009 Request
Assistance for the Independent States	452,000	—	396,497	—	346,108

The request for FREEDOM Support Act (FSA) and Foreign Assistance Act funding reflects the vital U.S. national interest in helping the independent states of the former Soviet Union become stable, pluralistic, and prosperous countries that can assist the United States in combating transnational threats.

In 2007, reforming governments had difficulty consolidating the democratic breakthroughs of 2003-2005. None of the reforming countries were able to deliver improved living standards to meet public expectations. Democratic reforms and freedoms improved in only two of Eurasia's 12 countries and regressed in five. Despite continued high economic growth, only four countries made measurable progress on economic reform. In Russia, the Kremlin continued to consolidate power at the expense of democratic institutions and rule of law. Central Asia remained alarmingly fragile: a lack of economic opportunity and weak democratic institutions foster conditions where corruption is endemic and Islamic extremism and drug trafficking can thrive.

The FY 2009 request prioritizes assistance for Georgia, Ukraine, and Moldova intended to promote economic and energy independence, help diversify export markets, and improve democratic governance in the face of increasing Russian economic and political pressure. For Russia, programs to promote democracy and rule of law constitute the bulk of the budget request for that country. A new focus for assistance is Turkmenistan, where the funding request is increased as the United States seeks to capitalize on new opportunities to promote economic, democratic, and social sector reform following the death of President Saparmurat Niyazov in December 2006.

The FY 2009 request acknowledges the resources that other bilateral and multilateral donors can bear in addressing the region's development challenges. The increased request for the regional budget reflects U.S. funding for the OSCE to support its operations and programs. Funding to combat HIV/AIDS has been shifted to the Child Survival and Health Programs Fund in FY 2009.

Highlights:

- Ukraine -- U.S. assistance will promote development of a democratic, prosperous, and secure Ukraine fully integrated into the Euro-Atlantic community. FSA programs will support civil society, the rule of law, justice sector reform, and anti-corruption efforts; promote energy security and economic growth; and improve health care.
- Georgia -- U.S. assistance will help consolidate Georgia's democratic, economic, and social reforms, address rural poverty, encourage the peaceful resolution of its separatist conflicts, and strengthen Georgia's economy while decreasing its dependence on Russia as an export market and for energy resources.
- Moldova -- U.S. assistance will strengthen democratic reform efforts and build institutional capacity, promote Moldova's economic independence and help diversify its export market, and support the reform and strengthening of the Moldova's armed forces, border security and law enforcement.

- Russia -- U.S. assistance will intensify support for civil society, independent media, the rule of law, and human rights. Funding will also combat trafficking in persons and other transnational threats. Conflict mitigation programs in the North Caucasus will help stem the spread of instability and foster development.
- Turkmenistan -- U.S. assistance will work with the new government to promote democratic and economic reform, strengthen civil society groups, help local leaders better engage with their government, improve health care, and expand educational opportunities.
- Tajikistan -- U.S. assistance will promote democratic and economic reform, fight infectious diseases, combat extremism, improve education, and strengthen Tajikistan's borders in the face of an increasing flow of illegal drugs from Afghanistan.
- Kyrgyz Republic -- U.S. assistance will help implement reforms that allow for sustained progress and stability, including strengthening democratic institutions; addressing corruption, economic development, and social issues; securing borders; and fighting drug trafficking and infectious diseases.
- Regional FSA -- U.S. assistance will support regional efforts to combat transnational threats, facilitate U.S. investment and exports to the region and promote cross-border economic and energy linkages, track country progress towards transition goals, mitigate cross-border health problems, provide access to independent media and high-quality secondary education, and fund part of the U.S. contribution to the Organization for Security and Cooperation in Europe (OSCE).

Peace Corps

(\$ in thousands)	FY 2007 Actual	FY 2007 Supp	FY 2008 Estimate	FY 2008 Supp	FY 2009 Request
Peace Corps	319,700	—	330,799	—	343,500

The FY 2009 budget request provides **\$343.5 million** for the Peace Corps, an increase of \$12.7 million over the estimated FY 2008 level.

By the end of FY 2009, there will be approximately 8,100 American Peace Corps Volunteers in 79 countries assisting host countries and local communities to improve education of students, encourage economic development, protect and restore the environment, increase the agricultural capabilities of farming communities, expand access to basic health care for families, and address HIV/AIDS prevention and care.

Through their services, Peace Corps Volunteers make lasting contributions to the United States and the international community by promoting mutual understanding between the peoples of the United States and the developing world, responding to humanitarian crises and natural disasters, developing leadership skills among host country nationals, and preparing America's work force with overseas experience.

Inter-American Foundation

(\$ in thousands)	FY 2007 Actual	FY 2007 Supp	FY 2008 Estimate	FY 2008 Supp	FY 2009 Request
Inter-American Foundation	19,347	—	20,830	—	20,000

The FY 2009 request of **\$20 million** will fund the Inter-American Foundation's (IAF) mandate to support programs that promote entrepreneurship, self-reliance, and democratic self-governance as a way to foster economic progress for the poor. A focus on innovation drives the IAF's work in Latin America and the Caribbean, such as its efforts to work with migrant organizations to help channel some of the vast amounts of remittances that immigrants send home each year into development activities for their home communities. In FY 2009, the IAF will support the economic development initiatives of marginalized groups, such as women, indigenous peoples, persons with disabilities, as well as African-descendant communities, as part of its implementation of several Summit of the Americas recommendations.

In FY 2009, the IAF will leverage additional resources for its grant program from local governments, private sector, beneficiary populations and other donors including an IAF-initiated network of 55 Latin American businesses and corporate foundations committed to funding grassroots development. This network shares criteria for funding and a results measurement system based on IAF's experience with grassroots development in order to match IAF 2:1 to support local development initiatives. In FY 2009, the IAF will continue to support the U.S. Government's priorities in Latin America and the Caribbean to reduce poverty and strengthen local democratic practice by supporting projects that provide loans to micro and small enterprises create jobs, improve agricultural practices and access to water, utilities and basic housing. Additionally, the IAF's projects will promote stronger foundations for democracy and good governance among some of our closest neighbors and help to bring the poor into the participation process so that ultimately they, too, can enjoy greater civic and economic prosperity.

African Development Foundation

(\$ in thousands)	FY 2007 Actual	FY 2007 Supp	FY 2008 Estimate	FY 2008 Supp	FY 2009 Request
African Development Foundation	22,800	—	29,757	—	30,000

The FY 2009 request of **\$30 million** will fund the African Development Foundation (ADF) to provide African-owned, small enterprises with the essential capital, technology, technical assistance, and training they need to grow, generate new jobs in Africa's poorest communities, and deliver significant increases in income to their employees and others involved in their production chain. The funding will also help smallholder farming groups and small-scale agricultural processors access the global economy by providing them with resources to diversify their production, create value-added products, satisfy international quality standards, and market their products to regional and overseas buyers. Finally, ADF will work with community-based organizations to help meet the economic and social needs of those at the lower end of the spectrum in the 17 African countries where the Foundation operates.

The ADF will leverage its annual appropriation and increase its impact by securing donations from African governments, other donor organizations, and the private sector.

Millennium Challenge Corporation

(\$ in thousands)	FY 2007 Actual	FY 2007 Supp	FY 2008 Estimate	FY 2008 Supp	FY 2009 Request
Millennium Challenge Corporation	1,752,300	—	1,544,388	—	2,225,000

The President’s request of **\$2.225 billion** in his fiscal year FY 2009 budget for the **Millennium Challenge Corporation** (MCC) supports the continuing development of an agency with a different approach to development assistance. In the first years after its founding in 2004 by Congress with the mission of *reducing poverty through economic growth*, MCC concentrated first on building its organization and establishing its innovative model, and second on negotiating and signing compacts that provide multiyear assistance to countries that govern justly, invest in their people and support economic freedom. As a result, MCC has signed compacts with 15 countries. In FY 2008, MCC is focusing more on Compact implementation rather than Compact development.

MCC is a leader in the development community employing a new and innovative approach. MCC is a strategic, “soft power” asset in America’s foreign policy toolbox, an important complement to other economic and political tools that support a more prosperous and secure world in a foundational and sustainable way. MCC assistance recognizes sound *policy performance*. It uses 17 eligibility indicators from independent sources to assess prospective partners’ commitment to good governance, investment in health and education, and support of economic freedom. Under the MCC model, countries know they are principally responsible for identifying and prioritizing their own barriers to poverty reduction and economic growth through *consultation* with all segments of their society. Such engagement builds a culture of democratic practices and transparency as well as ownership by the country itself for its development progress. Placing countries in charge of their development—country ownership—is difficult in light of capacity constraints, but it is the best way to achieve sustainable results.

Five compacts were signed in FY 2007 alone, bringing the overall number of compacts to 14 at the end of the fiscal year, totaling over \$4.5 billion. A 15th compact was signed in early FY 2008. In addition, seven more threshold agreements were signed in FY 2007, increasing the overall number of threshold programs to 14 at the close of the fiscal year, totaling nearly \$316 million.

MCC investments are bearing early fruit: partner countries are issuing new land titles to the poor and disenfranchised, building and operating girl-friendly schools, helping farmers increase their incomes, and improving infrastructure. To sustain these results, partner countries are instituting policy changes and building their capacity in areas such as procurement, financial management, environmental and social assessments, and project implementation. Just as impressive is the powerful incentive effect MCC policies have in poor, non-MCC countries.

The MCC budget request for FY 2009 is based on an estimate of the funds needed to conclude MCC Compacts with currently eligible countries that will be ready to enter into Compacts. MCC projects that it will sign additional Compacts with up to 5 countries in FY 2008 with a projected average Compact size of \$400 to \$500 million. MCC has intentionally increased the average size of Compacts to support transformational growth and poverty reduction in partner countries. Up to 25 percent of the appropriation will be used for Compacts with lower middle income countries (LMICs) in keeping with MCC’s legislation. MCC legislation allowed for the consideration of LMICs for the first time in FY 2006.

Global HIV/AIDS Initiative

(\$ in thousands)	FY 2007 Actual*	FY 2007 Supp	FY 2008 Estimate*	FY 2008 Supp	FY 2009 Request
Global HIV/AIDS Initiative	3,246,520	—	[4,661,930]	—	4,779,000

* In FY 2007, \$377.5 million was provided as a contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria. In FY 2008, \$545.545 million will be contributed to the Global Fund to Fight AIDS, Tuberculosis and Malaria. In FY 2008, funds for HIV/AIDS were appropriated into the new Global Health and Child Survival account. The funding for HIV/AIDS is displayed on the GHAI account page to facilitate comparison across fiscal years.

The Global HIV/AIDS Initiative account (GHAI) is the largest source of funding for the President’s Emergency Plan for AIDS Relief (the Emergency Plan, or PEPFAR). The Emergency Plan’s vision is to help turn the tide against this global pandemic. The request includes funding for country-based activities, technical support/strategic information and evaluation, international partners, and oversight and management. The FY 2009 request is the first year of a new five-year, \$30 billion proposal that builds upon the United States’ initial \$15 billion commitment.

The FY 2009 GHAI request reflects a substantial increase over the FY 2008 estimated level. The increase in FY 2009 will capitalize on the demonstrated capacity-building and programmatic successes of prevention, care, and treatment activities during the first five years of the Emergency Plan.

This request includes the development of a “Partnership Compact” model, with the goal of strengthening the commitment of host governments to the fight against HIV/AIDS. In selected countries, compacts will outline reciprocal commitments, linking USG resources to increased host government resources for HIV/AIDS and health and policies that will foster an effective HIV/AIDS response.

In addition, this request includes support for the PEPFAR Staffing for Results (SFR) initiative to ensure it has in place, in the field and at headquarters, fully functioning, interagency teams that jointly plan, implement, and evaluate programs. These teams must have appropriate technical leadership and management oversight in light of program size, number and capacity of partners and technical experts, working conditions, and other relevant factors. The goal of SFR is to institutionalize a structure, with defined roles, responsibilities, and processes that support interagency planning, implementation, and evaluation to reach PEPFAR goals. The outcome is the creation of an individual “footprint” for each country and at headquarters that outlines the best possible mix of staff across agencies to build on agency strengths to ensure program performance, reasonable costs, and long-term stability.

Highlights:

- \$4.087 billion for integrated prevention, care, and treatment programs in 15 focus countries: Botswana, Côte d’Ivoire, Ethiopia, Guyana, Haiti, Kenya, Mozambique, Namibia, Nigeria, Rwanda, South Africa, Tanzania, Uganda, Vietnam, and Zambia; HIV/AIDS activities in over 90 additional countries; and partnership compacts between host country governments and the USG.
- \$424 million for central technical support and programmatic costs and for the strategic information systems that are used to monitor program performance, track progress, and evaluate the efficacy of interventions. Technical leadership and direct technical assistance activities (including scientific quality assurance) are supported for a variety of program activities, including: anti-retroviral treatment, prevention (including sexual transmission, mother-to-child transmission, and medical

transmission), and care (including orphans and vulnerable children, people living with HIV/AIDS, and counseling and testing), as well as cross-cutting efforts such as human capacity development, twinning of U.S. and overseas institutions, and supply chain management.

- \$33 million for oversight and management costs incurred by USG agency headquarters including: supporting administrative and institutional costs; management of staff at headquarters and in the field; management and processing of cooperative agreements and contracts; and the administrative costs of the Office of the Global AIDS Coordinator.
- \$235 million for international partnerships, including a \$200 million contribution to the Global Fund to Fight AIDS Tuberculosis and Malaria (Global Fund) and a \$35 million contribution to UNAIDS. (Separate from this request, \$300 million is requested within the Department of Health and Human Services' National Institutes of Health budget for a contribution to the Global Fund.)

For additional information on PEPFAR, please refer to Annex A.

International Narcotics Control and Law Enforcement

(\$ in thousands)	FY 2007 Actual	FY 2007 Supp	FY 2008 Estimate	FY 2008 Supp	FY 2009 Request *
International Narcotics Control and Law Enforcement	472,616	252,000	556,405	734,000	1,202,061

* The Administration did not include a detailed FY 2009 supplemental request within the Budget. When needs are better known, the Administration will request additional funds for foreign operations, including costs related to supporting freedom in Iraq and building a stable Afghanistan.

The International Narcotics Control and Law Enforcement (INCLE) account supports country and global programs critical to combat transnational crime and illicit threats, including efforts against terrorist networks in the illegal drug trade and illicit enterprises. Programs supported with INCLE funds seek to close the gap between law enforcement jurisdictions and to strengthen law enforcement institutions that are weak or corrupt.

Many INCLE funds are focused where security situations are most dire and where U.S. resources are used in tandem with host country government strategies in order to maximize impact. Resources are also focused in countries that have specific challenges to overcome to establish a secure, stable environment, such as Mexico, Afghanistan, the Democratic Republic of Congo, Haiti, and Indonesia. .

Highlights:

- Afghanistan – Support for the U.S. Counternarcotics Strategy, which combats opium production and trafficking; funds will allow the U.S. Government to tailor its counternarcotics programs to sustain and expand the poppy free status of the northern and eastern provinces of Afghanistan, increase coordination between counternarcotics and counterinsurgency (COIN) activities, amplify the effects of the “carrot and stick” approach to reducing poppy cultivation, and continue to build the capability of the Counternarcotics Police of Afghanistan (CNPA), expanding its operational and investigative capacity in order to interdict major traffickers and disrupt Taliban financing.
- Merida Initiative: In the second year of this major new initiative (first year funding is requested in the FY 2008 supplemental):
 - Merida Initiative (Mexico) – Assistance aims to diminish the power and impunity of criminal organizations; strengthen border, air and maritime controls and interdiction; improve the capacity of justice systems in the region to conduct investigations and prosecutions, consolidate the rule of law, protect human rights, and reform prison management; curtail youth gang activity; and reduce the demand for drugs throughout the region.
 - Merida Initiative (Central America) – Assistance will implement the U.S. Strategy to Combat Criminal Gangs, including community-based prevention activities, support for specialized anti-gang units in El Salvador, Honduras and Guatemala that will provide technical assistance and training promoting preventative and community policing; address illicit arms trafficking in the region; improve border security through information collection

and sharing of fingerprint and crime data, fixed and mobile inspection equipment; and strengthen the criminal justice system, including technical assistance on prison management.

- West Bank/Gaza – Support efforts to reform the security sector by training and equipping National Security Forces.
- Iraq – Support programs to further criminal justice sector reform and capacity-building, including training, advice and support to the courts/judiciary, and Iraqi Corrections Service, as well as administrative oversight.
- Pakistan – Assistance will focus on continuing border security, law enforcement and judicial system reform efforts, and counternarcotics programs, including support for the President’s commitment to support the Federally Administered Tribal Areas (FATA).
- Sudan – Support implementation of the Comprehensive Peace Agreement and successful, democratic elections in Southern Sudan. Funds will provide technical assistance and training for Southern Sudan’s criminal justice sector and law enforcement institutions and contributions to UN civilian policing missions in Sudan.
- Liberia – Supporting our civilian police contribution to the UN Mission in Liberia (UNMIL), as well as critical police and justice reform projects. The request for the Liberia Police and Justice programs includes support of our civilian police contribution to UNMIL, as well as support to critical police and justice reform projects.
- Haiti – Assistance will support: peacekeeping missions and related activities through Civilian Police programs; and efforts to rebuild operational capacity of the Haitian National Police with specialized equipment and training.
- Global Programs – To counter transnational crime and counternarcotics challenges. Some of the specific components include:
 - Inter-regional Aviation Support – Provide centralized core services for counternarcotic and border security aviation programs. These programs involve fixed- and rotary-wing aircraft deployed worldwide.
 - International Law Enforcement Academy (ILEA) – Continue to fully support existing ILEAs in Bangkok, Budapest, Gaborone, Roswell, San Salvador (Phase 2 construction) and the Regional Training Center in Lima.
 - Program Development and Support – Provide for annual costs of direct hires, contractors, travel and transportation, equipment rentals, communications and utilities, and other support services.
 - Anti-Crime Programs – Support efforts focused on countering corruption, transnational crimes involving information technology and financial crimes and to enhance border security efforts, including anti-alien smuggling.
 - Civilian Policing (CIVPOL) – Improve U.S. ability to quickly deploy and support civilian police and criminal justice experts to peacekeeping missions through outreach to domestic law enforcement agencies; enhance our pre-deployment training program; support international

efforts to create and deploy formed police units; and continue to provide expert level support to the CIVPOL office to provide critical oversight for our programs.

- Office to Monitor and Combat Trafficking in Persons – Funding is necessary to assist committed governments of countries on the Tiers 3 and 2 Watch list of the 2008 Trafficking in Persons Report to improve their capacity to combat trafficking in persons through rule of law and criminal justice sector improvements.
- Global Peace Operations Initiative – Support activities at the Center of Excellence for Stability Police Units (COESPU) in Vicenza, Italy.

Andean Counterdrug Program

(\$ in thousands)	FY 2007 Actual	FY 2007 Supp	FY 2008 Estimate	FY 2008 Supp	FY 2009 Request
Andean Counterdrug Program	721,500	—	319,848	—	406,757

The FY 2009 request will support counterdrug programs in the seven Andean Counterdrug Program (ACP) countries, although the main focus will be on the three source countries for cocaine (Colombia, Peru, and Bolivia). Support will reduce the flow of drugs to the United States, addressing instability in the Andean region and strengthening the ability of both source and transit countries to investigate and prosecute major drug trafficking organizations and their leaders and to block and seize their assets.

Highlights:

- Colombia -- ACP funds will consolidate the gains achieved under Plan Colombia and enable the Government of Colombia to assume greater responsibility for funding and managing its counternarcotics activities. Despite a decreased level in funding, ACP resources will continue to support eradication and interdiction activities and dismantle major trafficking organizations and associated infrastructure by seizing their assets and imprisoning their leaders.
- Peru -- To support efforts to eliminate the illicit drug industry, including subversive groups working with drug traffickers; eradicate coca in new zones where it has spread; maintain training for anti-drug units; improve controls at ports and airports; and prevent major trafficking organizations from regaining a foothold.
- Bolivia -- To assist interdiction efforts, including training for police, while continuing to support eradication to curb unchecked cultivation expansion. Support will also focus on enhanced precursor chemicals interdiction, continued assistance in drafting new legislation on precursor chemicals and money laundering, and improved quality and training in investigations of alleged human rights violations.
- Ecuador -- To support efforts to interdict illegal narcotics and disrupt and dismantle related criminal organizations by strengthening the police and military through the acquisition and provision of equipment, training and operational support. Funding will also strengthen border control, especially in the northern region with Colombia; improve financial controls; decrease Ecuador's attractiveness for laundering money; and improve Ecuador's criminal justice system.

Migration and Refugee Assistance

(\$ in thousands)	FY 2007 Actual	FY 2007 Supp	FY 2008 Estimate *	FY 2008 Supp	FY 2009 Request
Migration and Refugee Assistance	833,033	130,500	1,023,178	30,000	764,000

* The FY 2008 estimate includes funding designated as emergency funding as described in Section 5 (preceding Division A) of the FY 2008 Consolidated Appropriations Act. The \$200 million provided under Section 5, Emergency Designations, will be used to assist Iraqi and Palestinian refugees.

The United States' commitment to providing humanitarian assistance and resettlement opportunities for refugees and conflict victims around the globe is an essential component of U.S. foreign policy and reflects the American people's dedication to assisting those in need. The FY 2009 request will fund contributions to key international humanitarian organizations as well as to non-governmental organizations to address pressing humanitarian needs overseas and to resettle refugees in the United States. These funds support programs that meet basic needs to sustain life; protect refugees and conflict victims; assist refugees with voluntary repatriation, local integration, or permanent resettlement in a third country; and foster the humane and effective management of international migration. The FY 2009 Migration and Refugee Assistance (MRA) request does not include funding for Iraq or Afghanistan. The Administration did not include a detailed FY 2009 supplemental request within the Budget; it will continue to review humanitarian assistance needs, including costs relating to Iraq and Afghanistan, as needs become better known.

Highlights:

- **Overseas Assistance** – A key component of helping refugees and conflict victims is the assistance provided to these populations overseas. This support will include the provision of life-sustaining services, including water/sanitation, shelter, and healthcare, as well as programs that provide physical and legal protection to vulnerable beneficiaries and assist refugees to return to their homes in safety and dignity, or integrate into their host communities as appropriate.
- **Refugee Admissions** – The United States admits more refugees for resettlement than any other country in the world. These funds will support an expanding and increasingly diverse U.S. resettlement program in an environment of higher processing and transportation costs.
- **Humanitarian Migrants to Israel** – This support will maintain longstanding U.S. Government support for relocation and integration of Jewish migrants to Israel.
- **Administrative Expenses** – The Bureau of Population, Refugees, and Migration is responsible for the oversight of all projects funded through MRA and ERMA appropriations and conducts humanitarian diplomacy to achieve protection and solutions for refugees and conflict victims. These funds will cover costs associated with the management and monitoring of these critical humanitarian policies and programs. The largest portion of Administrative Expenses covers the salary, benefits, and travel costs of a lean PRM staff of 131, including 24 positions overseas.

Although the global refugee population had declined to historically low levels by the beginning of 2006, the end of that year saw a spike in the number of refugees (up to 14.3 million, including Palestinian

refugees – a 10.1% increase over 2005 levels). Populations of concern to the UN High Commissioner for Refugees (UNHCR), which are addressed through the MRA appropriation, include not only refugees, but also conflict victims, stateless persons, refugees returning home, and certain internally displaced persons (IDPs). According to UNHCR, this total population reached an all time high of 37.3 million by December 31, 2006 – a 47.1% increase over 2005 levels. Support for the return of the uprooted to their home communities – or resettlement in first-asylum or third countries – helps countries move to durable peace, security, and stability. However, humanitarian assistance cannot replace the long-term political, economic, and social investment necessary to eliminate the causes of conflict or the major reconstruction required in countries devastated by warfare. Complementary USG programs in the areas of peace and security (including assistance for victims of trafficking provided through the MRA account), good governance, investing in people, and economic growth extend the benefits of humanitarian efforts and support the transition to recovery after conflict turns to peace.

Humanitarian Assistance: The FY 2009 request for MRA provides life sustaining protection, assistance and solutions for refugees and victims of conflict and advances U.S. migration policies.

Protection and solutions are inextricably linked to assistance and recovery. The FY 2009 budget request supports the provision of tangible relief items and services to conflict victims and refugees based on need and according to international minimum standards. The budget request focuses on protecting vulnerable populations, particularly women and children, to prevent and respond to gender-based violence and enable them to participate more fully in their own protection.

Assistance to meet basic human needs, in areas including water and sanitation, nutrition, health, shelter, and basic education, is essential to sustain the lives and livelihoods of refugees, IDPs, and conflict victims from the emergency phase of a crisis through protracted situations, and then leading to a transition to development.

The USG promotes orderly and humane international migration through support for regional migration dialogues, capacity-building for governments to develop more effective and humane migration systems, and institutional support for the International Organization for Migration (including the USG's mandatory assessed contribution). The FY 2009 request for Humanitarian Assistance also includes \$30 million to support the United Israel Appeal (UIA), reduced from FY 2008 as agreed in consultation with Congress and UIA. This funding for the UIA supports a package of services designed to promote integration of migrants into Israeli society, including transportation to Israel, Hebrew language instruction, transitional housing, education, and vocational training.

Less than 3% of the total Humanitarian Assistance budget managed through MRA would be devoted to program management and oversight of these activities. The request supports a staff of 24 refugee officers in 19 overseas locations, as well as 107 staff based in Washington. Costs related to the small staff dedicated to international population activities are funded by the State Department's Diplomatic and Consular Programs account.

Peace and Security: The U.S. Department of State's Bureau of Population, Refugees, and Migration (PRM) plays an important role in USG efforts to combat trafficking in persons (TIP). For example, the MRA appropriation supports a family reunification program for foreign TIP victims in the United States, under the provisions of the Trafficking Victims Protection Act, as well as return and reintegration assistance for victims wishing to return to their home country. Funds also support international return and reintegration assistance for trafficking victims, capacity-building for governments and non-governmental organizations (NGOs) and associated programming.

OVERSEAS ASSISTANCE

The majority of overseas assistance funds (averaging 87% annually) are provided multilaterally through international organizations (IOs). Funding is also provided bilaterally to NGOs that fill gaps in the international community's multilateral response.

The USG works closely with other key donor governments to achieve a common understanding of what constitutes satisfactory performance from the overall international humanitarian system. The Department is actively involved in reform efforts to strengthen the UN stronger by increasing the effectiveness of multilateral humanitarian action.

Primary International Organization Partners

The Department intends to use the funds requested for FY 2009 to provide U.S. contributions to the calendar year 2009 requirements of the IOs listed below. To demonstrate commitment to the IOs as indispensable partners of the USG, U.S. funding traditionally aims to meet 20% to 25% of these IOs' funding requests, with the expectation that other donors will support the remaining 75% to 80%.

The Office of the United Nations High Commissioner for Refugees (UNHCR) works with partners to ensure that protection and basic needs such as water, shelter, food, healthcare, and primary education of refugees and other persons of concern are met and implements durable solutions such as voluntary return and reintegration in countries of origin. Although certain IDPs have long been among the populations of concern to UNHCR, since early 2006 the organization has taken on new responsibilities for IDPs in the areas of protection, camp management and coordination, and emergency shelter in the context of the UN "cluster leadership approach." In 2009, UNHCR will continue efforts to direct protection and assistance activities to all those in need, particularly the most vulnerable - women, children, disabled, elderly - who comprise the majority of UNHCR's populations of concern.

The International Committee of the Red Cross (ICRC) has as its primary goals to protect and assist civilian victims of armed conflict, trace missing persons, reunite separated family members, monitor prisoners of war (POWs), and disseminate information on the principles of international humanitarian law. ICRC is an independent, internationally funded humanitarian institution mandated by the Geneva Conventions, to which the United States is a party.

The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) has a continuing mandate from the United Nations to provide education, health, relief, and social services to the over 4.4 million registered Palestinian refugees residing in Jordan, Syria, Lebanon, and the West Bank and Gaza. UNRWA also provides emergency food, health, and other assistance to vulnerable Palestinian refugees during humanitarian crises, such as in the West Bank and Gaza, and at the Nahr al-Bared refugee camp in Lebanon.

The International Organization for Migration (IOM) works with governments, other international organizations, and voluntary agencies to facilitate the orderly and humane migration of persons. IOM works primarily in six service areas: assisted voluntary returns and reintegration, counter-trafficking, migration and health, transportation, labor migration, and technical cooperation on migration.

U.S. support may also be provided to other IOs and NGOs as required to meet specific program needs and objectives. Other IOs receiving MRA funds in the past include the UN Children's Fund (UNICEF), the UN Office for the Coordination of Humanitarian Affairs (OCHA), the World Food Program (WFP), the UN Development Program (UNDP), and the International Federation of Red Cross and Red Crescent Societies (IFRC). The six largest of the forty-eight NGO recipients of MRA funds for overseas assistance

in FY 2007, in order of magnitude, were the International Rescue Committee, the International Medical Corps, the American Refugee Committee, Cooperative for Assistance and Relief Everywhere (CARE), Catholic Relief Services, and the International Catholic Migration Commission. NGO programs may commence at any point in the fiscal year, with funding typically provided for a twelve-month period. The Department may reallocate funds between regions or organizations within the overseas assistance request in response to changing requirements.

Assistance Programs in Africa

The FY 2009 MRA request for Overseas Assistance in Africa continues support for peace processes through refugee and IDP return and reintegration operations and continues protection and assistance for refugees who cannot yet return home, including Darfur Sudanese, southern Somalis, and Western Saharans. The MRA request includes USG contributions for UNHCR and ICRC. Limited funding is also included for other IOs and NGOs that work with UNHCR to fill gaps and/or basic elements in relief and reintegration programs.

The nascent or ongoing transformation of a number of conflict situations – Burundi, the Democratic Republic of the Congo (DRC), Liberia, southern Sudan – is continuing to gradually reduce the number of refugees and IDPs created by those conflicts. At the same time, new refugee emergencies continue to arise – e.g., the renewed conflict in Somalia in 2007, the unexpected post-election violence in Kenya in early 2008 – and there is continued volatility in many areas, such as eastern DRC, Cote d’Ivoire, Ethiopia, Eritrea, Chad, Sudan, and Zimbabwe. Estimated numbers of refugees in Africa now total approximately 2.3 million, and programs to assist conflict victims through ICRC were supported in 18 countries. Resource requirements for these populations remain high to provide protection and life-sustaining assistance to refugees, victims of conflict, and certain IDPs, who are often in hard-to-access locations, as well as to address increased needs for reintegration support to assist returnees, many of whom spent years in exile. In 2007, UNHCR supported IDP populations in Darfur, south Sudan, DRC, Liberia, Somalia, Uganda, Chad, the Central African Republic, and Cote d’Ivoire.

Assistance Programs in East Asia

The FY 2009 request continues support for UNHCR, ICRC, and other IO and NGO programs throughout East Asia, including those that address the humanitarian assistance and protection needs of vulnerable North Koreans outside the Democratic People’s Republic of Korea (DPRK). North Korean refugees continue to flee famine and oppression in the DPRK. The North Korea Human Rights Act of 2004 called on the USG to do more to assist this vulnerable population; the State Department will support the efforts of the UN to improve its access and protection of this population.

The largest group of refugees in East Asia continues to be Burmese. Currently, there are over 200,000 Burmese refugees in Thailand, Malaysia, Bangladesh, and India, as well as some 670,000 stateless Rohingya in Burma. The FY 2009 MRA request includes support for NGO programs that provide basic health care, water and sanitation, and gender-based violence prevention and response for Burmese in camps in Thailand, as well as for the Thailand Burma Border Consortium, which provides food to Burmese refugees on the Thai-Burma border. MRA contributions to UNHCR in FY 2009 will assist approximately 29,000 Burmese Rohingya refugees in camps in Bangladesh and those Rohingyas who have recently returned to Burma.

Assistance Programs in Europe

The FY 2009 budget request provides support for IDPs in the Caucasus and assistance with durable solutions (return or local integration) for IDPs and refugees from Kosovo in the aftermath of the province's status resolution.

In the South Caucasus region, the request would provide support for continued assistance to IDPs as well as preparations for repatriation in case peace is achieved in either of the two longstanding conflicts – Abkhazia and Nagorno Karabakh. As the only direct USG source of humanitarian assistance in the area, MRA will support UNHCR, other UN agencies, the ICRC, and NGOs to continue providing life-sustaining assistance to the most vulnerable refugees and IDPs in the Caucasus. Resolution of Kosovo's final political status will bring to a close a long period of uncertainty for more than 200,000 displaced Kosovo minorities. Resources will be required both to facilitate the return and reintegration of displaced minorities who choose to return to Kosovo from Serbia, Montenegro, and Macedonia, as well as to assist those who choose not to return to Kosovo in their efforts to integrate locally within Serbia or Montenegro. The Emergency Refugee and Migration Assistance Fund (ERMA) would support sizable new needs in FY 2009, if necessary.

Assistance Programs in the Near East

The FY 2009 request will support UNHCR and ICRC programs throughout the Near East, except Iraq, and continue support for the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). With USG support, UNRWA provides basic assistance, including health care and primary education for over 4.4 million registered Palestinian refugees in Jordan, Lebanon, Syria, West Bank and Gaza. UNRWA's critical role in the region and funding needs have grown substantially in recent years. An increasing number of Palestinian refugees rely on UNRWA's social services and emergency assistance in West Bank/Gaza, and the agency is increasingly focused on promoting self-reliance among Palestinian refugees and elevating services elsewhere in the region to a level comparable to those provided by host governments. UNRWA's delivery of food, education and health services is critical to regional stability, as demonstrated in the aftermath of the Hamas takeover of Gaza and during and after the conflict in UNRWA's Nahr al-Bared refugee camp in Lebanon, which resulted in the destruction of the camp in 2007 and the displacement of 30,000 Palestinian refugees. UNRWA's management reform activities will be integrated into its regular budget beginning in 2009.

Funding for MRA programs for Iraq will be requested in a separate FY 2009 Supplemental request to assist and protect Iraqi refugees and conflict victims, including those seeking asylum in neighboring countries and displaced populations inside Iraq.

Assistance Programs in South Asia

The FY 2009 request will support UNHCR, ICRC, and NGO programs throughout South Asia, except for Afghans, and includes funding for Tibetans in Nepal and India, assistance for displaced Sri Lankans, and support for Bhutanese refugees in Nepal. The USG and other governments will continue large-scale resettlement processing of Bhutanese refugees; those refugees who can be repatriated or locally integrated in Nepal will need integration assistance to ensure a smooth transition. Conflict will likely continue in Sri Lanka well into 2009, so the USG should be prepared to maintain humanitarian support for refugees in India, as well as conflict victims in Sri Lanka.

Funding for Afghanistan will be included in a separate FY 2009 Supplemental request to protect and assist refugees returning to Afghanistan, as well as those still remaining in neighboring countries.

Assistance Programs in the Western Hemisphere

The FY 2009 request provides emergency assistance to persons displaced by the conflict in Colombia. The number of IDPs in Colombia continues to grow by approximately 220,000 each year and totals over three million, making it the second largest displaced population in the world. There are also more than 250,000 Colombians in the region that UNHCR has recognized as persons of concern. The request includes support to the regional programs of UNHCR and ICRC. It also includes funds to meet the Department's commitment to support the needs of interdicted migrants at the Guantanamo Bay Naval Base who have been found to be in need of protection as well as their initial resettlement in third countries.

Strategic Global Priorities

The FY 2009 request supports humanitarian partners' core capacities to respond to humanitarian needs, including management reform efforts that are critical to the USG's broader UN reform agenda. By providing strategic support to headquarters and operational reserve capacities, this funding ensures that IOs and NGOs have the tools to respond quickly and effectively to emerging crises, protect humanitarian workers in increasingly insecure environments, and enhance accountability through results-based management reforms. This request also provides targeted funding for global humanitarian priorities, such as: protecting the most vulnerable populations, including refugee women and children and refugees in protracted situations; addressing the pernicious problem of gender-based violence; building technical capacity to combat the major threats to refugee health (infectious diseases); and improving the international community's use of standards and indicators, such as mortality rates and nutritional status.

Migration

FY 2009 MRA funds will be used to continue support for regional migration dialogues and associated technical support in Latin America, Africa, Europe, and Asia. The FY 2009 request provides modest, but essential, funding for anti-trafficking initiatives through the International Organization for Migration (IOM), primarily to prevent the exploitation of women and children worldwide and provide assistance to trafficking victims, including through return and reintegration programs. The Migration request includes funds for the USG's assessed contribution to IOM and tax reimbursement for its American employees.

REFUGEE ADMISSIONS

The FY 2009 request continues USG support for the Refugee Admissions program, which, in partnership with U.S. NGOs, provides a durable solution for some of the world's most vulnerable populations. MRA funds will continue to provide initial resettlement services to all arriving refugees, including housing, furnishings, clothing, food, and medical, employment and social service referrals.

To implement this program, the Department provides funding to numerous U.S.-based NGOs involved both in overseas processing functions and in domestic reception and placement services. IOM receives MRA funds for overseas processing functions in some locations and transportation-related services for all refugees admitted under the U.S. program. Funds provided to UNHCR from the FY 2009 request will be targeted at increasing the organization's capacity worldwide to screen populations and refer for resettlement caseloads that are in need of this critical form of protection. The ceiling for admissions in FY 2009 will be set by consultations with the Administration and the Congress just before the fiscal year starts.

HUMANITARIAN MIGRANTS TO ISRAEL

The FY 2009 request is lower than the FY 2008 level of support for the humanitarian migrants program of the United Israel Appeal (UIA) to reflect declining numbers of migrants. This reduced level is a result of consultations with the Congress and the implementing partner, the UIA. It reflects the resource level necessary to support a package of services designed to promote integration of humanitarian migrants into Israeli society, including transportation to Israel, Hebrew language instruction, transitional housing, education, and vocational training.

ADMINISTRATIVE EXPENSES

The FY 2009 request for administrative expenses provides the Bureau of Population, Refugees, and Migration (PRM) with the resources to manage effectively and responsibly humanitarian programs that are funded through the MRA and ERMA appropriations.

With this administrative budget, PRM manages annually resources of over \$1 billion and an array of significant humanitarian policy issues as well as the refugee admissions program. PRM staff review and approve program design and implementation, monitor and evaluate operational activities, and support other parts of the State Department in integrating refugee, humanitarian and migration issues into broader foreign policy concerns. They play an equally important humanitarian diplomacy role in pressing for assurances of first asylum, security of refugees, and pursuit of solutions through peace agreements.

**Migration and Refugee Assistance and
Emergency Refugee and Migration Assistance Fund**

(\$ in thousands)	FY 2007 Actual*	FY 2007 Supp	FY 2008 Estimate**	FY 2008 Supp	FY 2009 Request
Migration and Refugee Assistance (MRA)					
Overseas Assistance					
Africa	252,007	16,500	244,895	-	245,474
East Asia	26,697	-	24,862	-	24,425
Europe	38,400	-	30,159	-	28,156
Near East	125,210	85,000	102,965	30,000	98,641
South Asia	56,674	16,000	51,926	-	14,596
Western Hemisphere	24,667	-	25,365	-	22,739
Strategic Global Priorities	69,378	13,000	56,341	-	52,364
Migration	14,400	-	13,000	-	11,705
Subtotal	607,433	130,500	549,513	30,000	498,100
Refugee Admissions	166,000	-	211,671	-	213,400
Humanitarian Migrants to Israel	39,600	-	39,676	-	30,000
Administrative Expenses	20,000	-	22,318	-	22,500
MRA Subtotal	833,033	130,500	823,178	30,000	764,000
Supplemental/Emergency***	-	[130,500]	200,000	[30,000]	-
Total MRA	833,033	130,500	1,023,178	30,000	764,000
U.S. Emergency Refugee and Migration Assistance Fund (ERMA)					
	55,000	55,000	44,636	-	45,000

* In addition to the FY 2007 MRA and ERMA appropriated funds above, PRM also had funding available from the following accounts in FY 2007: Iraq Relief and Reconstruction Fund (IRRF) - \$14.5 million; President's Global HIV/AIDS Initiative - \$3.5 million; ESF for Afghanistan - \$4.5 million; ESF for Iraq - \$30 million; Andean CounterDrug Initiative - \$5 million; \$0.8 million reimbursement from the Diplomatic & Consular Programs (D&CP) account for PRM's Population office.

** Other sources available in FY 2008: ESF funds for Iraq (\$20 million); D&CP reimbursement for PRM Population office (\$0.87 million).

*** The \$200 million provided under Section 5, Emergency Designations, will be used to assist Iraqi and Palestinian refugees.

U.S. Emergency Refugee and Migration Assistance Fund

(\$ in thousands)	FY 2007 Actual	FY 2007 Supp	FY 2008 Estimate	FY 2008 Supp	FY 2009 Request
U.S. Emergency Refugee and Migration Assistance Fund	55,000	55,000	44,636	—	45,000

The U.S. Emergency Refugee and Migration Assistance Fund (ERMA) serves as a contingency fund from which the President can draw in order to respond effectively to humanitarian crises in an ever-changing international environment. The FY 2009 request will ensure the ability of the United States to respond quickly to future urgent and unexpected refugee and migration needs.

At the beginning of FY 2007, only \$11.7 million remained in the fund. The ERMA appropriation under the FY 2007 Full-Year Continuing Resolution was \$55 million. At the end of FY 2007, \$58.7 million had been drawn from the Fund to support humanitarian needs resulting from conflicts in Somalia, Iraq, Sudan, Chad, and Sri Lanka, as well as food pipeline breaks affecting refugees in Africa and Palestinian refugees in the West Bank and Gaza. With the addition of another \$55 million from the FY 2007 Emergency Supplemental, FY 2008 opened with an ERMA balance of just under \$63 million. The combination of a \$45 million appropriation in December 2007 and a Presidential drawdown of \$32 million left a balance of \$76 million at the end of January 2008.

An emergency supplemental MRA appropriation, reallocation of funds from the FY 2004 – FY 2007 Iraq Relief & Reconstruction Fund (IRRF), and reprogramming of ESF for Iraq refugees obviated the need for more extensive use of ERMA in FY 2007. In FY 2008, these irregular funding sources' availability is unknown. Increased unbudgeted and emergency humanitarian needs will likely place pressure on the available balance in the ERMA Fund. Replenishment of the Fund in FY 2009 is essential to maintaining USG leadership to respond to refugee and migration emergencies, and to providing sufficient resources to cover drawdown levels that have averaged \$58 million a year.

The \$58.7 million drawn from the Fund in FY 2007 was for the following purposes:

Presidential Determination 2007-2008: \$5.215 million

On December 14, 2006, \$5.215 million was authorized to support unexpected and urgent humanitarian needs resulting from conflicts in Somalia (\$3.575 million) and Sri Lanka (\$1.64 million).

Presidential Determination 2007-2019: \$29.5 million

On May 10, 2007, \$29.5 million was authorized to support unexpected and urgent refugee and migration needs resulting from the conflicts in Somalia (\$4.5 million), Sudan (\$6.6 million), and Chad (\$1 million) and to support refugee feeding operations and avert pipeline breaks in Africa (\$7.4 million) and in the West Bank and Gaza (\$10 million).

Presidential Determination 2007-2031: \$24 million

On September 8, 2007, \$24 million was authorized to support unexpected and urgent refugee and migration needs resulting from conflicts in Iraq (\$12 million), Sri Lanka (\$2 million) and to assist Palestinian refugees displaced from Nahr al-Bared camp refugee camp in Lebanon (\$10 million).

In early FY 2008, the following funds were drawn from the Fund:

Presidential Determination 2008-2010: \$32 million

On January 29, 2008, \$32 million was authorized to support unexpected and urgent refugee and migration needs related to humanitarian needs in Africa and in the West Bank and Gaza. Contributions were provided to UNHCR as well as other international and non-governmental organizations (\$16 million) to support urgent and unexpected needs related to the displacement of people from conflicts in Somalia, the Democratic Republic of the Congo (DRC), the Central African Republic (CAR), Sudan, and Chad. Funding (\$2 million) supported new opportunities for the return and reintegration of some 24,000 Mauritanian refugees. This drawdown also provided an initial contribution (\$14 million) to the West Bank and Gaza emergency appeal of UNRWA.

Nonproliferation, Anti-terrorism, Demining, and Related Programs

(\$ in thousands)	FY 2007 Actual	FY 2007 Supp	FY 2008 Estimate	FY 2008 Supp	FY 2009 Request
Nonproliferation, Anti-terrorism, Demining, and Related Programs	405,999	57,500	483,055	5,000	499,000

The Nonproliferation, Anti-terrorism, Demining and Related Programs (NADR) account provides resources to support critical security and humanitarian-related priority interventions, and includes funding for administrative expenses associated with programs funded by the NADR account. For FY 2009, three previously separate accounts (NADR – Humanitarian Demining (HD); NADR – International Trust Fund (ITF), and NADR – SA/LW) will be combined into one account (NADR-CWD) which more appropriately reflects worldwide conventional weapons destruction efforts. There is also a new sub-account for WMD Terrorism.

The FY 2009 NADR request includes funds for a nuclear medicine center in Libya, an increase for NDF to support dismantlement activities in North Korea, an increase in the GTR account to strengthen biosecurity and nuclear smuggling programs, and an increase in the IAEA account. The request further includes a small increase for EXBS.

The ATA program supports expansion of the Trans Sahara Counterterrorism Partnership (TSCTP) to the NEA Region. Its activities will dovetail with those of the existing AF Region TSCTP to prevent terrorist movement among and between Mahgreb and Sub-Saharan States and will promote trans-regional cooperation in counterterrorism efforts. Increased funding for the ATA program also supports the East Africa Regional Strategic Initiative (EARSII), established in the Horn of Africa to counter al-Qaida East Africa (AQEA) by pre-empting enemy activity through developing stronger, more flexible, regional capacities amongst Partner Nations. An increase in CT Finance funding supports the critical work of Resident Legal Advisors in the Horn of Africa, the Middle East and South Asia and permits the provision of cash courier training to over 18 priority countries world-wide.

Finally, there is increased funding for humanitarian demining and funds to address the threat to both civil and military aviation from MANPADS in the hands of terrorists and insurgents.

Highlights:

Nonproliferation Activities

- The Nonproliferation and Disarmament Fund (NDF) supports programs to halt the proliferation of weapons of mass destruction (WMD), their delivery systems, and advanced conventional weapons systems, with particular emphasis on denying such weapons to terrorists. Funds also support the destruction of existing weapons.
- A proposed new sub-account for WMD Terrorism in order to undertake specialized, targeted projects to improve international capacities in preparing for, and responding to, a terrorist attack involving weapons of mass destruction. This sub-account will advance the Global Initiative to Combat Nuclear Terrorism and help develop international partnership capacity.

- The Global Threat Reduction Program (formerly the Nonproliferation of WMD Expertise program) to support specialized activities aimed at reducing the threat of terrorist or proliferant state acquisition of WMD materials, equipment, and expertise. This program will support establishment of a nuclear medicine center in Libya, intended to support efforts to redirect Libya's former WMD personnel.
- A voluntary contribution to the International Atomic Energy Agency supports programs in nuclear safeguards, safety, and security.
- The worldwide Export Control and Related Border Security (EXBS) program, designed to help prevent, and interdict, the proliferation of WMD, missile delivery systems, and advanced conventional weapons.
- The Comprehensive Nuclear-Test-Ban Preparatory Commission funds a contribution to the worldwide International Monitoring System.

Anti -Terrorism Programs

- The Anti-Terrorism Assistance program includes funding for critical GWOT and Presidential Initiative countries, supports expansion of the Regional Strategic Initiatives (RSI) to the Horn of Africa and the Mahgreb, and permits the continuation of programs in critical non-RSI countries where terrorist activity threatens vital U.S. interests and homeland security. In particular, funding for Central and South America enhances border control and provides fraudulent document training, which diminishes the likelihood of terrorist transit through the hemisphere and into the United States. Programs in Central Asia and the Balkans guard against the movement of terrorists that could pose new threats to stability throughout Europe and Asia.
- The TIP/PISCES program (Terrorist Interdiction Program/Personal Identification Secure Comparison & Evaluation System) provides computerized watch listing systems to Partner Nations that enable immigration and border control officials to quickly identify suspect persons attempting to enter or leave their countries. The FY 2009 request supports continued system expansion into critical Partner Nations vulnerable to terrorist travel (such as Iraq, Pakistan, Yemen and Kenya), allows development of expanded capabilities to address U.S. requirements regarding biometric data collection, and ensures the TIP/PISCES system maintains standards in accord with international norms.
- The Counterterrorism Finance program assists our frontline GWOT partners in detecting, isolating and dismantling terrorist financial networks; in depriving terrorists of funding for their operations; and in cash courier training in priority nations, which has been identified as a key US initiative. In addition, CT Finance funding supports Resident Legal Advisors in the Horn of Africa, the Middle East and South Asia to undertake essential capacity building activities and to foster cooperation on legal and regulatory reform initiatives.
- Counterterrorism Engagement supports key bilateral and multilateral counterterrorism efforts in support of the Regional Strategic Initiatives (RSI).

Regional Stability and Humanitarian Assistance

- The Conventional Weapons Destruction (CWD) program advances peace and security interests by responding to the security threat and risk to indigenous populations posed by: landmines and unexploded ordnance, Small Arms/Light Weapons (SA/LW), Man Portable Air Defense Systems (MANPADS), and excess ammunition. The program also enhances stockpile security, increases local capabilities through training programs, and provides limited funding for victims' assistance.